OREGON LABOR TRENDS

JUNE 1987

MAY INDICATORS

UNEMPLOYMENT RATE

Oregon	*(Seas. Adj)*	
May	1987	5.5
Apr.	1987	5.7
May	1986	8.5
U.S.		
May	1987	6.3
Apr.	1987	6.3
May	1986	7.2

WAGE AND SALARY EMPLOYMENT INDEX

OREGON	*1977=100*	
May	1987	116.3
Apr.	1987	116.0
Mar.	1987	115.6
Feb.	1987	115.3
Jan.	1987	114.8

DIFFUSION INDEX

Oregon		
May	1987	59.3
Apr.	1987	61.6
Mar.	1987	61.6
Feb.	1987	64.3
Jan.	1987	59.7

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon		
Apr.	1987	$10.54
Mar.	1987	$10.54
Apr.	1986	$10.65

CONSUMER PRICE INDEX (CPI)

1967=100
ALL URBAN CONSUMERS

Portland MSA		
Nov. 1986		318.0
Yearly change	+	0.3%
Annual Average 1986		316.8
Yearly change	+	1.4%
U.S.		
May 1987		338.7
Yearly change	+	3.8%
Annual Average 1986		328.4
Yearly change	+	1.9%

Portland Hotline 221-4132

EMPLOYMENT GROWTH CONTINUES

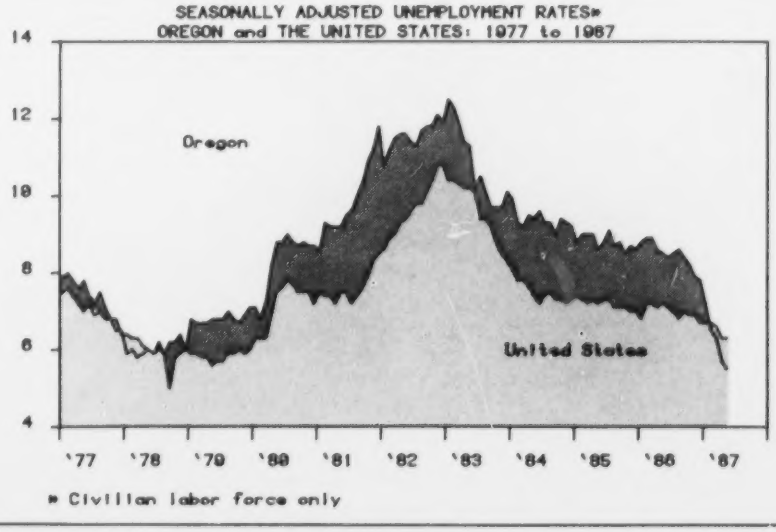
David Cooke

Positive employment news keeps flowing in. Total nonagricultural wage and salary employment reached an all-time high in May of 1,092,900. It's been a long time since the previous high employment was reached, back when Jimmy Carter was still president and Victor Atiyeh was just starting out as Oregon's governor. The month was September 1979 and employment peaked at 1,088,000. In the past 12 months, Oregon's economy has added 33,100 jobs, an increase of 3.1%.

Unemployment in May of 74,200 was astonishingly low when compared with levels during 1980 through 1986, when unemployment ranged between 97,900 and 182,300. May's unemployment rate of 5.5% is also encouraging. Whenever the State's unemployment rate moves in the same direction for several months in a row, a significant trend is indicated. Oregon's rate has been steadily dropping for nine consecutive months and this is the fourth straight month that it has been below the national rate. Indeed, this is good news for Oregonians. More people who were unemployed and looking for work are finding jobs.

One reason for May's bright employment picture was the performance of manufacturing industries. At 196,600, manufacturing employment is 1,000 above a year ago, and after seasonal adjustment, is at its highest level in over two years. An example of manufacturing's across-the-board strength shows on the wage and salary employment table, where no published manufacturing industry recorded a decrease of employment over the month.

Employment in lumber & wood products continued to show significant gains. In May, 1,400 more people were employed over the month, bringing the tally in this industry to 66,200, one third of Oregon's total manufacturing employment. In recent months, seasonal expectations have been surpassed, and May was no exception. Millwork & structural wood continued its record employment growth by posting a seasonally adjusted employment increase of 400. Mobile homes also added to the better than seasonal trend, showing a strong jump in May's employment after lackluster performance earlier in the year. This month's logging employment, however, has not increased from recent May totals, despite increased demand for logs and high mill production levels.



Lumber & wood products is currently experiencing relative prosperity. Despite increased production per employee, employment has reached its highest May level since 1979. The Employment Division expects 1987 annual average employment to be about 66,000 for lumber & wood products, a jump of approximately 2,000 from last year.

What will happen to lumber & wood products employment in the next few years? Demand for the products is the primary factor influencing short term employment levels in this industry. The level of demand, in turn, is influenced by many factors; housing starts, interest rates, timber prices, transportation costs, international currency fluctuations, and inventory levels among others. Currently, demand has been growing in the past few years, and consequently employment levels have increased. But the economic pendulum may be reaching the end of its upswing. Mortgage interest rates appear to have bottomed out at around 9 1/2% in March this year. Competition from the southeastern United States is growing, as their inventories have been increasing.

According to the May 27 issue of Marple's Business Newsletter, timber prices are once again on the rise. It cited a recent forecast for the U.S. forest industry developed by Resource Information Systems Inc., of Bedford, Mass. Prices for Douglas fir stumpage west of the Cascades have increased from $118 per thousand board feet in 1982 to $161 in 1986. The projection for 1990 is close to $275. This substantial increase expected in the next four years is based in part on the Northwest's high dependency on public land timber harvests, low public timber purchases remaining uncut, current Forest Service policy, and limited availability of private second-growth timber within the next ten years. If these factors and others produce diminished demand, the recent employment growth in lumber & wood products employment will not continue.

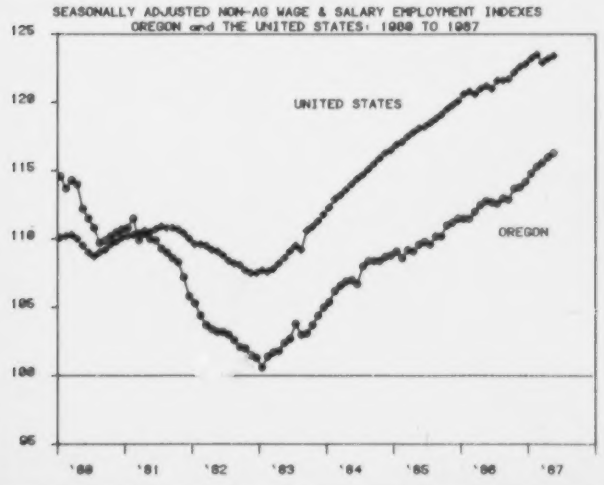
Employment in other durables combined for moderate seasonally adjusted increases. Aluminum production led primary metals as current increases in demand and prices for aluminum are directly affecting employment levels. New Navy contracts accounted for a 300 increase over the month in ship building & repair. For the fifth straight month "high-tech" employment remained stable, but impending layoffs will end the stability in June. Employment in instruments & related products remained unchanged over the month, but is 1,600 below the year ago level and rests at its lowest May level since 1973.

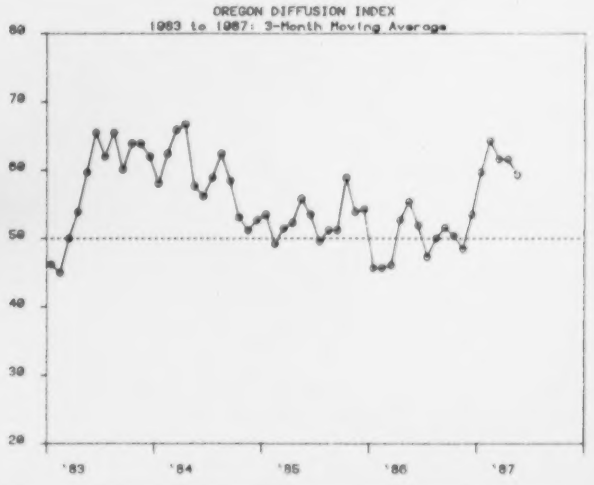
Continuing with manufacturing, food & kindred products employment rose by 300 in May, but this was 600 less than seasonally expected. The good weather that helped increase employment in April has caught up to this highly seasonal industry. This puts employment on a par with recent May employment levels.

Agricultural employment is rarely mentioned in this publication because the data is obtained through different methods than nonfarm wage and salary employment. A reasonably complete census of agricultural employment is obtained each decade, but current monthly figures are more difficult to gauge. This month, certain events have compounded to create problems for those in the agricultural industry, and so a brief explanation is warranted.

Strawberry growers and processors are among the first to experience major problems this year. An early strawberry crop, kids still in school when picking started, and migrant labor problems are all partly responsible for the large volume of strawberries remaining un-harvested. The majority of the problem, fewer migrant workers, is due to the Immigration Reform and Control Act of 1986 which took effect May 5, 1987. The Act has had the immediate effect of drastically reducing the number of Mexican workers who annually travel to Oregon. A preliminary estimate by Oregon's Agricultural Director puts the total at as many as 10,000 migrant workers who were deterred from coming to the State. Typical May agricultural employment in Oregon for recent years has been slightly below 40,000. Peak employment of over 50,000 is reached in late spring or early summer. Of these workers, roughly 20,000 are usually Mexican migrant workers.

The lack of seasonal farm labor may drastically reduce gross sales by as much as one third for commodities that rely on these workers. Strawberries have already been hit hard and cherries will be next affected. Some of the major crops that will be affected this year, and their approximate gross dollar sales for 1986 (in millions of dollars) are as follows: pears ($52), dry onions ($32), strawberries ($29), sweet cherries ($25), hops ($20), apples ($17), tame blackberries ($14), filberts ($14), sugar beets for sugar ($14), red raspberries ($12), black raspberries ($7), sugar beets for seed ($6), and garlic ($5). These data, from the OSU Extension Service, are given here to provide rough estimates of the impact of specific crops on Oregon's economy. Some estimates predict up to $300 million of the $1 billion summer and fall crops might go un-harvested.





Turning back to nonfarm wage and salary employment, the group of industries included in other nondurables showed stable employment patterns in May. Rubber & plastic products was a notable exception, adding 200 additional jobs and pushing it to a record level of 3,700. Miscellaneous plastics products accounts for roughly 90% of rubber & plastics products' employment in Oregon.

Employment in nonmanufacturing which stands at 896,300 has accounted for 97% of the annual net job growth in Oregon. Three fourths of this increase has been in trade and services. The general positive statewide employment trend was also evident in nonmanufacturing, where only state government (-100) recorded a decline over the month.

Construction and the industries that comprise it, all closely followed seasonal trends for the month. But construction over the year is down 800. Heavy construction makes up the bulk of the decline, dropping 700 from May 1986. Nonresidential construction was also down 500 over the year. Heavy construction should quickly pick up during the coming months, as work starts on approximately 200 state highway projects. In 1987, $260 million in federal, state, and local funds has been allocated for highway projects, up 16% from the $225 million in 1986. A gasoline tax increase passed by the 1985 Legislature is responsible for some of the additional projects being funded. Other sectors of construction show some increases. Other special trade contractors (comprised of painting, paper hanging, & decorating, carpentering & flooring, roofing & siding, and concrete work) is of particular interest. Its employment level of 6,400 is the highest May total since 1979 and has rebounded from a recessional May 1983 level of 3,500.

May was a strong month for trade, partly as a result of fair weather. Retail building materials & garden supplies rose from 6,700 in April to 7,000 in May. Wholesale groceries & related products grew from 10,500 to 10,700, an increase of 400 over seasonal expectations. Most parts of the industry were stable or growing, and trade has grown by 3.3% in the last 12 months.

Growth in finance, insurance, & real estate of 600 over the month came exclusively from industries outside the traditional financial industries. In real estate, 23,800 are now employed, 4,600 more than in May 1982. Real estate has continued to grow during the last five years, but the trend may be slowing down as indicated by May's 100 seasonally adjusted slippage.

Much has been said about the growth of the service economy in recent articles. In May, services again posted impressive numbers. Services combined for double the expected growth with a 2,400 increase over the month. This puts services at 6.6% over the year growth, twice as fast as the rest of the economy.

Little change was shown in transportation, communications, & utilities. Trucking & warehousing held stead at 20,900, well above the May 1986 level of 19,400. Government also followed mostly seasonal patterns. Local governments provided much of the employment changes, with education and local elections increasing employment slightly.

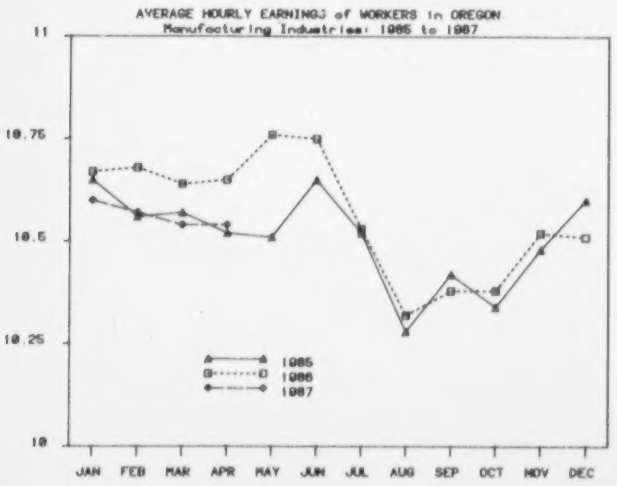
Overall, May was another in a string of positive months for employment in Oregon. How long will Oregon's economy continue to improve? For the short term the trends indicate further growth, but as recent history has shown, employment growth and economic expansion do not continue indefinitely. □

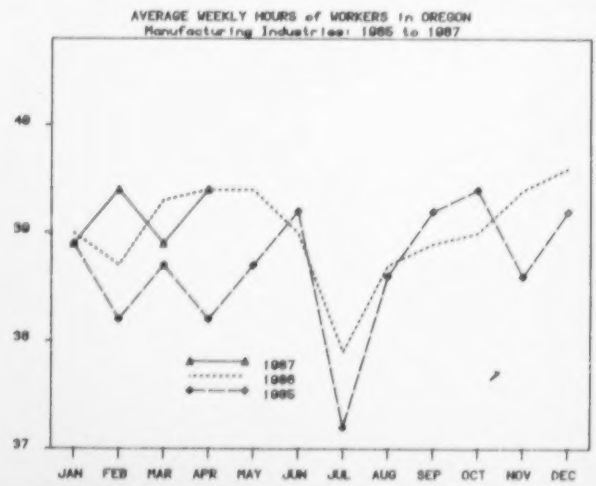
UI BENEFITS HIT LOWEST LEVEL EVER

The Percentage of jobless Americans receiving unemployment benefits in 1986 dropped to the lowest level ever recorded, the Center on Budget and Policy Priorities reported recently. Fewer than one-third of all unemployed workers collected benefits on average. Continued high levels of employment, long spells of joblessness, and government cutbacks in unemployment insurance (UI) were major causes of the record low coverage, the Center said.

The year 1986 was the third year in a row that the level of UI coverage fell below 35 percent. About 5.5 million jobless workers had no unemployment insurance assistance in an average month in 1986, according to the Center's analysis of Labor Department statistics. The report also said that after adjustment for inflation, the value of 1986 UI benefits was 59 percent less than 10 years earlier, even though 800,000 more people on average were employed.

Copies of the report, "Left Out: The Plight of Jobless Workers in 1986," cost $3 from the Center on Budget and Policy Priorities, 236 Massachusetts Avenue. N.E., Suite 305, Washington, D.C. 20002, phone (202) 544-0591. □





RESIDENT OREGON LABOR FORCE

	MAY[1] 1987	APR[2] 1987	CHANGE	%CHANGE	MAY[5] 1986
CIVILIAN LABOR FORCE[3]	1,350,200	1,349,900	300	0.0	1,346,200
UNEMPLOYMENT	74,200	81,800	-7,600	-9.3	113,600
PERCENT OF LABOR FORCE	5.5	6.1	XXX	XXX	8.4
SEASONALLY ADJUSTED PERCENT	5.5	5.7	XXX	XXX	8.5
TOTAL EMPLOYMENT[4]	1,276,000	1,268,100	7,900	0.6	1,232,600

1/ PRELIMINARY. 2/ REVISED. 3/ INCLUDES EMPLOYED AND UNEMPLOYED INDIVIDUALS 16 YEARS AND OLDER. DATA ARE ADJUSTED FOR MULTIPLE JOB-HOLDING AND COMMUTING. 4/ INCLUDES NONAGRICULTURAL WAGE AND SALARY, SELF-EMPLOYED, UNPAID FAMILY WORKERS, DOMESTICS, FARM WORKERS, AND LABOR DISPUTANTS. 5/ DUE TO REVISED ESTIMATING PROCEDURES BETWEEN DECEMBER 1986 AND JANUARY 1987, DATA FOR 1987 AND THAT OF PREVIOUS YEARS ARE NOT STRICTLY COMPARABLE.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	MAY[1] 1987	APR[2] 1987	MAY 1986	CHANGE FROM APR 1987	CHANGE FROM MAY 1986
TOTAL[3]	1,092,900	1,078,900	1,059,800	14,000	33,100
WAGE & SALARY EMPLOYMENT INDEX[4]	116.3	116.0	112.8	XXX	XXX
DIFFUSION INDEX[5]	59.3	61.6	55.4	XXX	XXX
TOTAL MANUFACTURING	196,600	193,900	195,600	2,700	1,000
DURABLE GOODS	144,100	142,000	144,200	2,100	-100
LUMBER & WOOD PRODUCTS	66,200	64,800	64,200	1,400	2,000
LOGGING & SAWMILLS	33,600	32,500	32,900	1,100	700
VENEER & PLYWOOD	17,500	17,500	16,900	0	600
MILLWORK & STRUCTURAL WOOD	9,900	9,700	9,200	200	700
MOBILE HOMES	1,400	1,300	1,400	100	0
OTHER WOOD PRODUCTS	3,800	3,800	3,800	0	0
FURNITURE AND FIXTURES	2,400	2,400	2,600	0	-200
STONE, CLAY, GLASS & CONCRETE	3,300	3,200	3,200	100	100
PRIMARY METALS	8,900	8,800	8,500	100	400
BLAST FURNACES, IRON & STEEL	5,300	5,300	5,300	0	0
NONFERROUS METALS	3,600	3,500	3,200	100	400
FABRICATED METALS	10,400	10,400	10,800	0	-400
FABRICATED STRUCTURAL METALS	4,600	4,600	5,000	0	-400
OTHER FABRICATED METALS	5,800	5,800	5,800	0	0
MACHINERY	14,800	14,700	14,900	100	-100
ELECTRICAL EQUIPMENT & SUPPLIES	13,100	13,100	12,800	0	300
TRANSPORTATION EQUIPMENT	10,300	9,900	11,100	400	-800
INSTRUMENTS & RELATED PRODUCTS	12,000	12,000	13,600	0	-1,600
MISCELLANEOUS MANUFACTURING	2,700	2,700	2,500	0	200
NONDURABLE GOODS	52,500	51,900	51,400	600	1,100
FOOD & KINDRED PRODUCTS	21,100	20,800	21,000	300	100
CANNING & PRESERVING	10,600	10,500	10,700	100	-100
OTHER FOOD PRODUCTS	10,500	10,300	10,300	200	200
TEXTILE MILL PRODUCTS	1,500	1,500	1,500	0	0
APPAREL	2,400	2,300	2,200	100	200
PAPER & ALLIED PRODUCTS	8,700	8,700	8,900	0	-200
PRINTING & PUBLISHING	12,000	12,000	11,600	0	400
CHEMICALS & ALLIED PRODUCTS	2,200	2,200	2,000	0	200
PETROLEUM REFINING	400	400	500	0	-100
RUBBER & PLASTIC PRODUCTS	3,700	3,500	3,300	200	400
LEATHER PRODUCTS	500	500	400	0	100
TOTAL NONMANUFACTURING	896,300	885,000	864,200	11,300	32,100
MINING & QUARRYING	1,400	1,300	1,600	100	-200
CONSTRUCTION	34,200	32,300	35,000	1,900	-800
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	57,100	56,900	56,500	200	600
TRANSPORTATION	36,100	35,900	34,900	200	1,200
RAILROAD	4,200	4,200	4,500	0	-300
TRUCKING & WAREHOUSING	20,900	20,800	19,400	100	1,500
OTHER TRANSPORTATION	11,000	10,900	11,000	100	0
COMMUNICATIONS	12,400	12,400	12,900	0	-500
UTILITIES	8,600	8,600	8,700	0	-100
TRADE	275,200	271,000	266,400	4,200	8,800
WHOLESALE TRADE	68,200	67,700	67,100	500	1,100
DURABLE GOODS	39,900	39,800	39,800	100	100
NONDURABLE GOODS	28,300	27,900	27,300	400	1,000
RETAIL TRADE	207,000	203,300	199,300	3,700	7,700
GENERAL MERCHANDISE	25,700	25,400	25,300	300	400
FOOD STORES	34,000	33,500	31,400	500	2,600
AUTO DEALERS & SERVICE STATIONS	25,800	25,500	25,100	300	700
OTHER RETAIL TRADE	121,500	118,900	117,500	2,600	4,000
FINANCE, INSURANCE, & REAL ESTATE	73,000	72,400	68,900	600	4,100
BANKING & CREDIT AGENCIES	23,900	23,900	23,600	0	300
OTHER FINANCE, INSURANCE, & REAL ESTATE	49,100	48,500	45,300	600	3,800
SERVICES	245,700	243,300	230,500	2,400	15,200
HOTELS & PERSONAL SERVICES	26,700	26,700	25,200	0	1,500
HEALTH SERVICES	74,700	74,700	71,900	0	2,800
OTHER SERVICES	144,300	141,900	133,400	2,400	10,900
GOVERNMENT	209,700	207,800	205,300	1,900	4,400
FEDERAL GOVERNMENT	29,500	29,100	28,800	400	700
STATE GOVERNMENT	57,900	58,000	55,300	-100	2,600
EDUCATION	24,900	24,900	24,100	0	800
OTHER STATE	33,000	33,100	31,200	-100	1,800
LOCAL GOVERNMENT	122,300	120,700	121,200	1,600	1,100
EDUCATION	78,000	77,500	78,600	500	-600
OTHER LOCAL	44,300	43,200	42,600	1,100	1,700
LABOR-MANAGEMENT DISPUTES	100	1,400	0	-1,300	100

1/ PRELIMINARY
2/ REVISED
3/ INCLUDES FULL AND PART-TIME NONFARM WAGE AND SALARY WORKERS IN PAY PERIODS INCLUDING THE 12TH OF THE MONTH. PROPRIETORS, SELF-EMPLOYED, PRIVATE HOUSEHOLD WORKERS AND ARMED FORCES EXCLUDED. NOTE: ESTIMATED IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS AND EMPLOYMENT AND TRAINING ADMINISTRATION. ALL DATA ARE BASED ON THE 1972 STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES AS AMENDED BY THE 1977 SUPPLEMENT.
4/ TOTAL NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED, AND INDEXED TO 1977. DATA ON THE EARLIER INDEX (1972 = 100) CAN BE CONVERTED TO THE 1977 BASE PERIOD BY MULTIPLYING BY A FACTOR OF .8264, THE RATIO BETWEEN 1972'S ANNUAL AVERAGE EMPLOYMENT (774,300) AND THAT OF 1977 (936,900).
5/ THE DIFFUSION INDEX IS THE PERCENTAGE OF A SELECTED GROUP OF 43 INDUSTRIES SHOWING AN INCREASE IN SEASONALLY ADJUSTED EMPLOYMENT. HALF OF THOSE INDUSTRIES SHOWING NO SIGNIFICANT CHANGE (LESS THAN 1/2 OF 1%) ARE COUNTED AS INCREASING.

HOURS & EARNINGS

Jason Yohannan

April hours & earnings figures showed little change from March except in two industries.

The slide in average hourly earnings in printing & publishing, although substantial, was not unprecedented. March to April declines have occurred in this industry for seven consecutive years. The cause was mostly seasonal in nature; as annual projects were completed, the overtime rush ended, and hourly earnings fell. Even with April's steep decline, earnings were above year-ago figures.

The drop of hours worked in furniture & fixtures was less predictable than printing's situation. Instead of specific projects reaching completion, this drop was more of a broad, temporary slowing in business. Furniture & fixtures historically has shown fewer hours than the overall manufacturing average, and the smaller size of the industry in Oregon tends to allow the ups and downs of a handful of companies to influence this industry's average much more so than in other manufacturing sectors.

The preceding discussion makes an interesting point about hours & earnings series in general. Published series such as mobile homes, textile mill products, and apparel -- which respectively employed only 1,100, 900, and 2,000 production workers in April -- are potentially subject to much larger short-term changes in hours & earnings. This is because the various experiences of each individual firm have greater impact on the monthly industrial averages there than those same firms would have if they were classified elsewhere.

In contrast, monthly changes in industries such as retail trade or state & local government are usually quite small, except for certain periods of the year (such as the holiday season for retail trade or summers for the education portion of government). Single companies or government agencies have less influence because of the large numbers of workers, overall, in these industries. For example, the April averages listed for retail trade represented 114,200 nonsupervisory workers. The April average weekly earnings for state & local government covered all of those 178,800 employees.□

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Apr.[2] 1987	Mar.[3] 1987	Apr. 1986	Apr.[2] 1987	Mar.[3] 1987	Apr. 1986	Apr.[2] 1987	Mar.[3] 1987	Apr. 1986
TOTAL MANUFACTURING[4]	$415.28	$410.01	$419.61	39.4	38.9	39.4	$10.54	$10.54	$10.65
Durable Goods	421.85	413.82	430.54	40.1	39.6	40.2	10.52	10.45	10.71
Lumber & Wood Products	431.17	413.04	448.80	40.6	39.3	40.8	10.62	10.51	11.00
Logging & Sawmills	460.32	429.28	483.11	40.7	38.5	40.7	11.31	11.15	11.87
Veneer & Plywood	423.91	417.11	449.21	40.8	40.3	42.1	10.39	10.35	10.67
Millwork & Structural	370.80	369.90	358.58	41.2	41.1	40.2	9.00	9.00	8.92
Mobile Homes	299.44	284.24	277.44	34.9	34.0	32.0	8.58	8.36	8.67
Other Wood Products	414.87	415.54	441.72	39.7	39.5	40.9	10.45	10.52	10.80
Furniture & Fixtures	248.25	313.96	308.09	28.9	37.6	39.6	8.59	8.35	7.78
Primary Metals	507.49	503.81	463.32	41.7	41.5	39.6	12.17	12.14	11.70
Fabricated Metals	369.38	379.76	402.56	38.8	39.6	39.7	9.52	9.59	10.14
Machinery (Ex Electrical)	429.55	428.46	420.03	39.3	39.2	39.0	10.93	10.93	10.77
Nondurable Goods	396.81	401.05	389.48	37.4	37.1	37.2	10.61	10.81	10.47
Food & Kindred Products	320.95	325.03	324.87	35.0	35.1	35.7	9.17	9.26	9.10
Canning & Preserving	262.98	273.82	256.53	33.5	34.1	33.1	7.85	8.03	7.75
Other Food Products	98.86	391.30	412.90	37.0	36.4	39.1	10.78	10.75	10.56
Textile Mill Products	256.51	243.08	223.44	38.4	38.1	33.6	6.68	6.38	6.65
Apparel	221.90	219.83	215.02	36.8	36.7	37.2	6.03	5.99	5.78
Paper & Allied Products	46.24	633.69	616.76	42.6	41.8	41.2	15.17	15.16	14.97
Printing & Publishing	405.90	435.60	383.01	36.7	36.3	35.3	11.06	12.00	10.85
Construction[4]	477.11	450.49	469.10	34.8	33.1	33.7	13.71	13.61	13.92
Communications & Utilities[5]	534.30	513.76	503.05	41.1	40.2	40.7	13.00	12.78	12.36
Trade[5]	291.04	280.21	283.58	34.0	33.2	33.8	8.56	8.44	8.39
Wholesale Trade	389.71	371.16	375.64	37.4	36.0	36.9	10.42	10.31	10.18
Retail Trade	245.38	237.34	237.96	32.5	31.9	32.2	7.55	7.44	7.39
Banking & Insurance	310.96	308.11	299.87						
State & Local Government	347.80	348.85	339.53						

1/ Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.
2/ Preliminary
3/ Revised
4/ Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.
5/ Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

LOCAL LMI AND THE LABOR MARKET ECONOMIST

Mike Staten

Try to find an important economic decision made anywhere in Oregon and you will look a long time before finding one that was not influenced by the Employment Division's network of labor market economists.

This has been called the "information age". Most employment and other related economic information relavent to the local areas either comes from, or is available to, the local labor market economists. This data is necessary for local decision makers to have an information base upon which to make their decisions.

Labor market information (LMI) is a product, or group of products, for which the demand continues to grow at an astounding rate every year. Decision makers want current and timely local information. In this regard, Oregon is no exception.

Greater emphasis is being placed on economic analysis and development in Oregon. As more steps are taken to diversify the economic base of the State and local areas, LMI becomes an ever increasing major input into the process. This input is essential to governments, businesses, and private individuals to form scund economic decisions that directly and indirectly affect them in both the short and long runs.

Businesses use data on labor availability, wage rates, affirmative action, inflation rates, and local economic trends; schools, colleges, and universities need to know which occupations and industries are going to be growing or declining to provide the appropriate training; governments need overall, as well as specific, labor market information to formulate economic development, land use plans, and budgetary forecasts; and the general public needs to remain informed on the economic status of Oregon and its local areas.

To address these needs, the Oregon Employment Division, through its Research & Statistics Unit, has assembled a network of local labor market economists strategically located around the State. By being located in the local areas, the economists are able to become extremely knowledgeable about their areas of the State. These individuals live and work in the local communities and their presence in the area stimulates and targets the flow of local labor market information requests.

The labor market economists are part of the Research & Statistics Unit headquartered in Salem. They work in the local Employment Division offices located throughout the State and monitor and analyze economic trends for their assigned areas. They develop monthly and annual estimates of total employment and unemployment for each of their labor market areas, estimates of non-agricultural wage and salary employment, and the establishment of "base year" industry employment from which industrial and occupational projections are made and analyzed. Labor market economists for metropolitan statistical areas (MSAs) also produce monthly and annual estimates for hours and earnings data in the manufacturing industries. This total accumulation of data is then condensed, analyzed, and presented in fourteen monthly local newsletters, Local Labor Trends, written by the economists for each of their geographic areas.

In addition to the monthly Local Labor Trends, each economist writes special economic and technical reports and publications such as the biennial

EMPLOYMENT DIVISION Labor Market Economists

Name	Address	Area	Phone
John Anderson	P.O. Box 910 Medford, OR 97501	Coos, Curry, Jackson, Josephine	776-6068
Earl Fairbanks	P.O. Box 751 Salem, OR 97308	Benton, Linn, Marion, Polk, Yamhill	378-2324
Jeff Hannum	875 Union Street NE Salem, OR 97311	State of Oregon	378-2736
Richard Kuczek	P.O. Box 610 Pendleton, OR 97801	Gilliam, Grant, Hood River, Morrow, Umatilla Wasco/Sherman, Wheeler	276-9055
Mike Mahan	P.O. Box 68 Klamath Falls, OR 97601	Crook, Deschutes, Jefferson, Klamath, Lake	883-5629
Ken Rocco	432 West 11th Eugene, OR 97401	Douglas, Lane, Lincoln	686-7703
Al Stoebig	P.O. Box 159 Portland, OR 97207	Clatsop, Columbia, Tillamook	229-5747
John Stone	P.O. Box 159 Portland, OR 97207	Clackamas, Multnomah, Washington, Yamhill	229-5746
Bill Street	P.O. Box 1008 La Grande, OR 97850	Baker, Harney, Malheur, Union, Wallowa	963-7111

Business & Employment Outlook publications and their associated executive summaries. These fourteen documents together encompass the entire State.

You will hear our local labor market economists on the radio, see them on television, read their quotes in the newspaper, and find them serving on advisory boards of various public and private social service agencies. They are the ones you turn to with economic questions knowing that if they don't have the answers, they probably know who does. They serve as the conduits for other labor market information produced by the entire Research & Statistics Unit or by other state and federal agencies. Examples of this include, but are not limited to, The Oregon Industrial Outlook, Oregon Wage Information, county affirmative action packets, and regional Occupational Program Planning System (OPPS) reports. Data published by other agencies which labor market economists are called upon to distribute include population estimates for counties and incorporated areas (put together by PSU's Center for Population Research and Census), occupational wage data, and the Consumer Price Index data for the U.S. and the Portland Metropolitan Area (gathered by the U.S. Bureau of Labor Statistics).

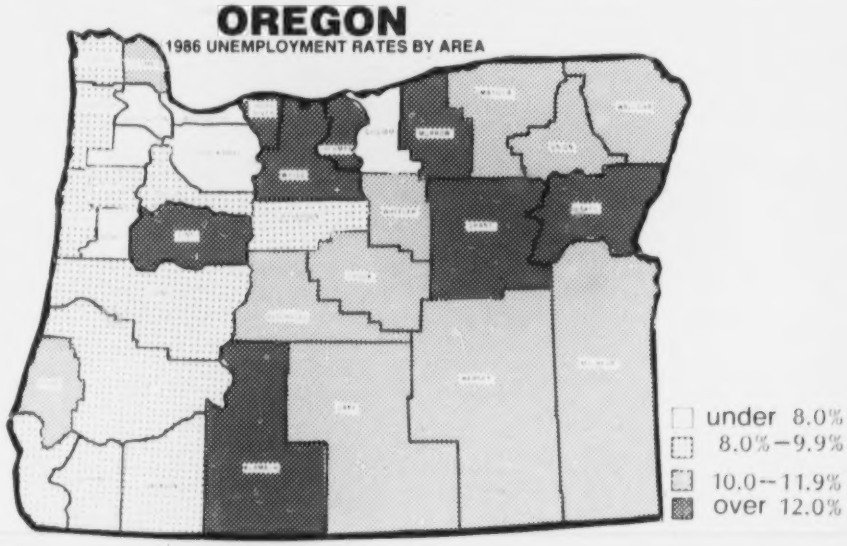
The Oregon Employment Division's local labor market economist program has been in existence for approximately twenty years. We currently have eight outstationed labor market economists and one state economist in the central Research & Statistics Unit in Salem. Their names, addresses, geographic areas of responsibility, and telephone numbers are listed in the accompanying table. During the past year, a labor market economist position was added in Pendleton, allowing for more timely service to data users in that area. The labor market economists, along with other personnel of the Research & Statistics Unit of the Oregon Employment Division, are dedicated to the goal of supplying data users with objective, accurate, and timely economic information at both the local and state levels. A good source of information on the various LMI products and services offered, including who to contact, is the Oregon Labor Market Information Directory. To order a copy contact the labor market economist in your local area or the Central Office in Salem:

Oregon Employment Division
Research & Statistics - LMI
875 Union St. N.E.
Salem, OR 97311
Phone 378-8657 □

1986 UNEMPLOYMENT RATES BY AREA

	1986 Rank	1986	1985	Change
United States		8.5%	8.8%	-0.3
Wasco-Sherman	1	14.2	15.2	-1.0
Morrow	2	13.6	11.5	2.1
Hood River	2	13.6	13.2	0.4
Baker	3	13.5	13.7	-0.2
Grant	4	12.1	11.6	0.5
Linn	4	12.1	12.8	-0.7
Klamath	5	12.0	11.7	0.3
Umatilla	6	11.8	11.2	0.6
Wheeler	7	11.7	13.3	-1.6
Harney	8	11.3	11.0	0.3
Union	9	10.9	12.0	-1.1
Wallowa	10	10.8	13.7	-2.9
Coos	11	10.7	13.2	-2.5
Columbia	12	10.6	9.5	1.1
Deschutes	13	10.3	10.9	-0.6
Lake	13	10.3	10.9	-0.6
Malheur	14	10.2	11.3	-1.1
Crook	15	10.1	9.0	1.1
Douglas	16	9.8	11.6	-1.8
Josephine	17	9.6	10.3	-0.7
Curry	18	9.5	11.7	-2.2
Jefferson	19	9.2	10.0	-0.8
Tillamook	20	9.0	10.9	-1.9
Clatsop	21	8.6	8.3	0.3
Eugene-Springfield MSA[1]	22	8.6	8.9	-0.3
Medford MSA [2]	23	8.5	9.4	-0.9
Salem MSA[3]	24	8.5	8.2	0.3
Lincoln	25	8.3	10.2	-1.9
Portland PMSA[4]	26	7.2	7.4	-0.2
Gilliam	27	6.7	5.3	1.4
Benton	28	5.1	5.4	-0.3

1/ Lane County
2/ Jackson County
3/ Marion and Polk Counties
4/ Clackamas, Multnomah, Washington & Yamhill Counties



EMPLOYERS' CORNER - INVESTING IN OREGON'S FUTURE

Dorothy Monnier

Since March 1987, five state agencies have been developing a new Oregon Youth Conservation Corps (OYCC). The idea for a Youth Conservation Corps is an outgrowth of one item on Governor Neil Goldschmidt's 60-day "Oregon Comeback" plan.

The Governor's vision created an OYCC that is truly a public/private sector partnership. This partnership provides jobs for youth between the ages of 16-19 in Oregon's natural resource agencies. The public natural resource agencies provide the jobs and supervision while the private sector provides funds for youth salaries, equipment and necessary materials needed on the job.

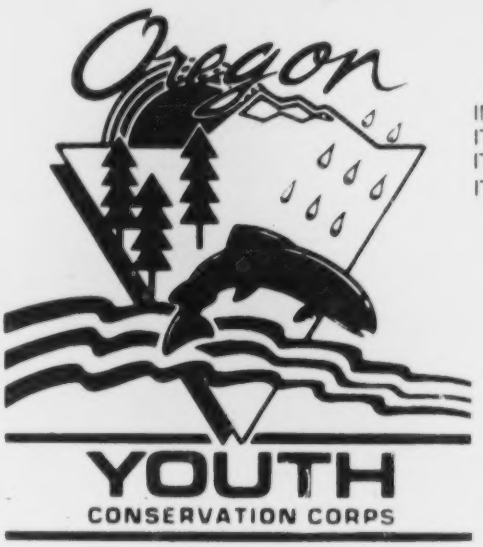
The Oregon State Employment Division is the administrative agency which recruited, screened, and referred youth to the employing natural resource agencies.

The Jobs Training Partnership Act (JTPA) Private Industry Councils provided all the training for the youth and for agency supervisors.

On June 15, 1987, more than 80 youths throughout Oregon started working for nine agencies in this new conservation program. These youths are working on 17 natural resource conservation projects located in 13 counties (nine of the counties rank high in youth unemployment).

The OYCC received $138,688 from private and corporate donors in addition to funds from the federal Job Training Partnership Administration.

While the program was modeled after the Civilian Conservation Corps of the 1930s and 1940s, this new concept demonstrates the pride and enthusiasm of Oregonians working together.



INVESTING IN OREGON'S FUTURE.
IT'S YOU!
IT'S YOUTH!
IT'S BUSINESS
WORKING WITH GOVERNMENT
PUTTING YOUTH TO WORK.....

As Governor Goldschmidt said, "The youths are the real winners. They gain good job experience, earn a salary, and accomplish something meaningful".

While our youths win, so do you. This public/private partnership dedicated to nurturing Oregon's beautiful natural resources will provide:

- Future employees with good work habits.
- Corporate and personal pride for contributors.
- Enhanced state image.
- Investment in Oregon's future.
- Preservation of our beautiful natural resources.

Plans are to continue this program. We will continue to need your support in order to provide more jobs for youth next year. **BECOME INVOLVED** by contributing to the OYCC. For more information contact:

Allyson Spencer
Youth Conservation
Corps Director
Phone: 378-2038 □

OREGON LABOR TRENDS

The Oregon Labor Trends is published monthly by the Research and Statistics Section of the Oregon Employment Division, Raymond P. Thorne, Administrator.

Send comments, questions, and address changes ATTN: Jeff Hannum, R&S-LMI or Phone (503) 378-2736 or toll free 1-800-237-3710 ext. 8-8657.

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DEPARTMENT OF HUMAN RESOURCES
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SALEM, OREGON 97311

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